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AMENDED IN SENATE JUNE 15, 1998

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AMENDED IN ASSEMBLY MARCH 30, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

## ASSEMBLY BILL

No. 2003

**Introduced by Assembly Member Strom-Martin  
(Coauthor: Assembly Member Pacheco)**

February 18, 1998

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An act to add Section 1367.71 to the Health and Safety Code, and to add Section 10119.9 to the Insurance Code, relating to health coverage.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2003, as amended, Strom-Martin. Health coverage: dental treatments: anesthesia.

Existing law provides for the licensure and regulation of health care service plans administered by the Commissioner of Corporations. Under existing law, willful violation of any of these provisions is a crime. Existing law also provides for the regulation of policies of disability insurance administered by the Insurance Commissioner.

This bill would provide that specified health care service ~~plans~~ *contracts* and disability ~~insurers~~ *insurance policies and certificates* are deemed, commencing January 1, 2000, to cover general anesthesia and associated facility charges for

dental procedures for enrollees and insureds under 7 years of age, or who are developmentally disabled, or for whom general anesthesia is medically necessary, if rendered in a hospital or surgery center setting, when the clinical status or underlying medical condition of the patient or insured requires dental procedures that ordinarily would not require general anesthesia to be rendered in a hospital or surgery center setting. The bill would authorize the health care service plan or disability insurer to require prior authorization of general anesthesia and associated charges required for dental care procedures in the same manner that prior authorization is required for other covered diseases or conditions. Since the willful violation of the provisions relating to health care service plans is a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1367.71 is added to the Health  
2 and Safety Code, to read:  
3 1367.71. (a) Every health care service plan *contract*,  
4 other than a specialized health care service plan *contract*,  
5 that is issued, amended, renewed, or delivered on or after  
6 January 1, 2000, shall be deemed to cover general  
7 anesthesia and associated facility charges for dental  
8 procedures rendered in a hospital or surgery center  
9 setting, when the clinical status or underlying medical  
10 condition of the patient requires dental procedures that  
11 ordinarily would not require general anesthesia to be  
12 rendered in a hospital or surgery center setting. The  
13 health care service plan may require prior authorization  
14 of general anesthesia and associated charges required for



1 dental care procedures in the same manner that prior  
2 authorization is required for other covered diseases or  
3 conditions.

4 (b) This section shall apply only to general anesthesia  
5 and associated facility charges for all of the following  
6 enrollees, provided the enrollees meet the criteria in  
7 subdivision (a):

8 (1) Enrollees who are under seven years of age.

9 (2) Enrollees who are developmentally disabled,  
10 regardless of age.

11 (3) Enrollees whose health is compromised and for  
12 whom general anesthesia is medically necessary,  
13 regardless of age.

14 (c) Nothing in this section shall require the health care  
15 service plan to cover any charges for the dental  
16 procedure itself, including, but not limited to, the  
17 professional fee of the dentist. Coverage for anesthesia  
18 and associated facility charges pursuant to this section  
19 shall be subject to all other terms and conditions of the  
20 plan that apply generally to other benefits.

21 (d) Nothing in this section shall require health care  
22 service plans to cover anesthesia or related facility  
23 charges for dental procedures that ordinarily would  
24 require general anesthesia and that do not meet the  
25 criteria specified in subdivision (a), (b), or (c).

26 (e) A health care service plan may include coverage  
27 specified in subdivision (a) at any time prior to January  
28 1, 2000.

29 SEC. 2. Section 10119.9 is added to the Insurance  
30 Code, to read:

31 10119.9. (a) A disability insurance policy or  
32 certificate covering hospital, surgical, or medical  
33 expenses, that meets the definition of "health benefit  
34 plan" in subdivision (a) of Section 10198.6, that is issued,  
35 amended, renewed, or delivered on or after January 1,  
36 2000, shall be deemed to cover general anesthesia and  
37 associated facility charges for dental procedures  
38 rendered in a hospital or surgery center setting, when the  
39 clinical status or underlying medical condition of the  
40 insured requires dental procedures that ordinarily would

1 not require general anesthesia to be rendered in a  
2 hospital or surgery center setting. The disability  
3 insurance policy or certificate may require prior  
4 authorization of general anesthesia and associated  
5 charges required for dental care procedures in the same  
6 manner that prior authorization is required for other  
7 covered diseases or conditions.

8 (b) This section shall apply only to general anesthesia  
9 and associated facility charges for all of the following  
10 insureds, provided the insureds meet the criteria in  
11 subdivision (a):

12 (1) Insureds who are under seven years of age.

13 (2) Insureds who are developmentally disabled,  
14 regardless of age.

15 (3) Insureds whose health is compromised and for  
16 whom general anesthesia is medically necessary,  
17 regardless of age.

18 (c) Nothing in this section shall require ~~insureds~~  
19 *insurers* to cover any charges for the dental procedure  
20 itself, including the professional fee of the dentist.  
21 Coverage for anesthesia and associated facility charges  
22 pursuant to this section shall be subject to all other terms  
23 and conditions of the policy or certificate that apply  
24 generally to other benefits.

25 (d) Nothing in this section shall require insurers to  
26 cover anesthesia or related facility charges for dental  
27 procedures that ordinarily would require general  
28 anesthesia and that do not meet the requirements of  
29 subdivision (a), (b), or (c).

30 (e) A disability insurance policy may include coverage  
31 specified in subdivision (a) at any time prior to January  
32 1, 2000.

33 SEC. 3. No reimbursement is required by this act  
34 pursuant to Section 6 of Article XIII B of the California  
35 Constitution because the only costs that may be incurred  
36 by a local agency or school district will be incurred  
37 because this act creates a new crime or infraction,  
38 eliminates a crime or infraction, or changes the penalty  
39 for a crime or infraction, within the meaning of Section  
40 17556 of the Government Code, or changes the definition

1 of a crime within the meaning of Section 6 of Article  
2 XIII B of the California Constitution.  
3 Notwithstanding Section 17580 of the Government  
4 Code, unless otherwise specified, the provisions of this act  
5 shall become operative on the same date that the act  
6 takes effect pursuant to the California Constitution.

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